Vulcan Golf, LLC v. Google Inc. et al Doc. 256

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

VULCAN GOLF, LLC, JOHN B. SANFILIPPPO & SONS, INC., BLITZ REALTY GROUP, INC., and VINCENTE E. "BO" JACKSON,	) Case No. 07 CV 3371
Plaintiffs,	) The Honorable Blanche M. Manning
v.	) Magistrate Judge Geraldine Soat Brown
GOOGLE INC., OVERSEE.NET, SEDO LLC, DOTSTER, INC., AKA REVENUEDIRECT.COM, and JOHN DOES I-X,	)
Defendants.	)

GOOGLE'S REPLY MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO LIMIT DISCOVERY AND FOR SCHEDULING ORDER

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The devil, as always, is in the details. Plaintiffs have a proposed an alternative case management plan, which consists of proceeding with only "ACPA related discovery" for 120 days, followed by summary judgment motions on Plaintiffs' ACPA claims. When Plaintiffs made this proposal to Google last week, we responded that it merited consideration, and could be workable, but that we would first need to know what Plaintiffs considered to be within the scope of "ACPA discovery," and asked Plaintiffs to tell us. Foote Decl., Exh. B.

Instead, Plaintiffs have made the same, amorphous proposal to the Court. And thus our response must be the same: in principle, the plan sounds fine, but the litigants and the Court will both need a clearer definition of what is—and is not—open for discovery. Google's proposed motion is a narrow one. It will ask the Court to decide a single, dispositive threshold question: does Google "register, traffic in, or use" any of the domain names at issue in this case?[1] To decide that question, the Court will only need to look at a relatively simple set of facts: the domain names at issue, the registrations for each name, the contracts among the parties, and the way in which Google provides advertisements to the owners of each domain.

Under Google's proposal, we would provide Plaintiffs with all of that information along with our opening brief (to the extent we have not already done so informally), and then make available a corporate deponent to answer whatever relevant questions Plaintiffs might have. We would also respond in good faith to requests for whatever additional information Plaintiffs might need to oppose the motion. A similar process would apply for Google's reply.

The advantage of this proposal is that, in the event there is a dispute over the scope of discovery, there will be an objective reference point from which to decide that dispute: the

[1] Contrary to Plaintiffs' suggestion (Opp. at 4), Google does not seek to exclude consideration of "traffics in." *See* Google's MPA at 2 (discussing "traffics in" standard), 3 ("the question whether Google 'registers, **traffics in**, or uses' any accused domain names is ripe for an immediate and simple summary judgment motion") (emphasis added).

already-served summary judgment motion itself. Federal Rule of Civil Procedure 56(f) has a well-defined set of procedures, and a body of caselaw, by which to decide what discovery is needed in this context. Google's proposed schedule builds the time for Rule 56(f) motions into the schedule to begin with, and gives the Court a set of pleadings against which to judge any such motion.

Plaintiffs' proposal takes away that reference point, by putting the discovery ahead of the opening brief. To be workable, that proposal needs to replace that reference point with something else: a coherent delineation of what discovery is to be conducted, and what discovery is to be stayed. Without that delineation, we will soon be back before Magistrate Brown, asking her to adjudicate disputes over that scope guided only by the rubric "ACPA related."

"ACPA related" is both too vague and too broad. For example, the ACPA requires a finding of bad faith intent, in addition to its other elements. 15 U.S.C. §1125(d)(1)(A)(i). Google does not intend to reach that issue in its motion, both because it does not need to and because it is likely to be a fact issue not amenable to summary adjudication. But we expect that Plaintiffs will seek to take the depositions of multiple Google executives, and seek all manner of document discovery, based on a claim that anything related to Google's state of mind is relevant to bad faith intent and thus "ACPA related."

Similarly, Plaintiffs have indicated that, despite having lost class certification, they will seek discovery related to all of the tens of millions of domain names that have been a part of the AdSense for Domains program over time. Is such discovery within the scope of "ACPA related" discovery? It certainly is unnecessary to determining whether Google "registered, trafficked in, or used" the hundred or so domain names at issue in this case. Will the entire history of the development of the AdSense for Domains program, and of all of Google's search algorithms, be sought on a theory that they illuminate Google's bad faith or intent? Will all of Google's finances be fair game, on the theory that the ACPA also requires proof of intent to profit?

On the other side of the ledger, will Defendants be free to conduct discovery on the fame or distinctiveness of Plaintiffs' marks, their registration, and their validity? The history of their use? The ACPA requires those elements (15 U.S.C. §1125(d)(1)(A)(i)), so they would be fair game. And would both sides need to conduct all of their discovery concerning the likelihood of confusion between each of the Plaintiffs' claimed marks and each of the accused domain names? Confusion also is an element of Plaintiffs' ACPA claims (*Id.*), so there is no principled division between "ACPA related" discovery and discovery on Plaintiffs' trademark claims. That would of course include having all parties design and field consumer confusion surveys on each mark and each domain name, at a cost of hundreds of thousands of dollars. And of course ACPA statutory damages are to be set "as the court considers just." 15 U.S.C. §1117(d). It is hard to imagine a category of discovery that Plaintiffs would agree is irrelevant to that determination.

The scope of discovery that could be labeled "ACPA related" is vastly broader than the discovery needed to decide whether Google "registers, traffics in, or uses" domain names. Plaintiffs "concede any discovery propounded by Plaintiffs will have to be more narrowly tailored than the requests that were originally issued," (Opp. at 4) but they refuse to say how. This is not oversight: we have asked them to tell us what they mean by "ACPA related discovery," and they have chosen not to answer. This is not the first time Plaintiffs have sought to create the illusion of discovery limits why avoiding the reality. In advance of Defendants' renewed motions to dismiss, when Defendants asked this Court to continue the existing stay, Plaintiffs made a counterproposal: that we all agree that "damages-related discovery" be stayed, while only merits discovery proceeded. But when Google's counsel asked Plaintiffs' counsel to identify a single discovery request in the hundreds of pages of discovery that would be deferred under his proposal, he was not able to do so. *See* Exhibit 1, attached hereto, Page Reply Decl. ¶¶ 2-3.

Plaintiffs' proposal to limit discovery to "ACPA related discovery" is similarly illusory. If Plaintiffs had proposed a fixed set of documents and factual issues, or a specific set of discovery requests, that counterproposal might merit consideration. But they have deliberately chosen not to. Accordingly, this Court should decline the invitation, and adopt Google's proposal. As to the amount of time allotted, we have no objection to expanding that schedule as Plaintiffs suggest, or as the Court prefers, so long as both sides share in the additional time.

Dated: June 5, 2009

Respectfully submitted,

GOOGLE INC.

By:/s/ Michael H. Page
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CERTIFICATE OF SERVICE

I, Jonathan M. Cyrluk, an attorney, certify under penalty of perjury that I caused a copy of the forgoing document to be filed and served on all counsel of record via the Court's CM/ECF online filing system this 5th day of June, 2009.

/s/ Jonathan M. Cyrluk